

**OFFICE OF THE SECRETARY**

P.O. Box 942883  
Sacramento, CA 94283-0001



August 17, 2009

Ms. Patricia Caruso, Director  
Michigan Department of Corrections  
P.O. Box 30003  
Lansing, MI 48909

Dear Ms. Caruso:

I want to thank you for the Michigan Department of Corrections' (MDOC) offer to assist the California Department of Corrections and Rehabilitation (CDCR) with the housing of offenders in two of your facilities. As you are aware, California is experiencing a serious budget crisis, and the CDCR is under numerous federal court orders impacting our offender population. Based upon a ruling released last week, CDCR is now under a federal court order to reduce our offender population by over 40,000 inmates within the next two years. At the same time, the State's budget crisis demands we reduce our operating budget by \$1.2 billion dollars. To address both of these developments, CDCR is in the process of drafting numerous plans to reduce population while cutting costs.

CDCR recently sent a team to evaluate the viability of contracting with MDOC for both the Muskegon Correctional Facility and the Standish Maximum Security Facility. The Muskegon Correctional Facility's physical design would allow for the housing of our minimum security (level I) inmates only. Currently, CDCR has sufficient beds to address our level I inmates, and this population is currently being targeted for alternative custody options under proposals to address court orders and budget cuts. The uncertainty surrounding this offender population does not make contracting for the Muskegon Correctional Facility a viable option at this time.

The Standish Maximum Security Facility would lend itself to the housing of our medium security (level II and level III) inmates with some plant modifications. However, the proposed per diem rate offered for the use of this facility is significantly higher than rates we are currently paying to contract for other out-of-state beds. In addition, the per diem rate offered does not include costs associated with medical and mental health staff who would be required under CDCR's current federal court orders. Acute medical and mental health care services would require a transport of approximately 150 miles. Furthermore, the facility does not have internal gun coverage which would be necessary for housing maximum security (level IV) inmates. Therefore, we are unable to enter into a contract for services with your Standish Maximum Security Facility based on budgetary constraints, limited medical and mental health services, and lack of needed security coverage for our maximum security inmates.

Ms. Patricia Caruso, Director  
Page 2

While we are extremely grateful for the offer to contract with MDOC to address serious overcrowding issues in CDCR, we are not in a position to contract for these services at this time. I would like to personally thank you for the opportunity and gracious offer of help.

If you would like to discuss further options or questions, please contact me at (916) 323-6001. I look forward to working with you in the future.

Sincerely,

A handwritten signature in dark ink, reading "Matthew L. Cate". The signature is written in a cursive, flowing style with a large initial 'M' and a stylized 'C'.

MATTHEW L. CATE  
Secretary

cc: Scott Kernan, Undersecretary, Operations